

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
<b>Description:</b> The Medicaid program was established to provide aid for persons whose income and resources are insufficient to meet the costs of necessary medical or remedial care. This program was established as a separate division in FY 1997.							
<b>FY 2001 Original Appropriation</b>							
3.00 FY 2001 Original Appropriation: HB 797, HB 533							
General	74.25	4,560,900	3,151,500	51,000	164,124,900	0	171,888,300
Dedicated	0.00	0	0	0	652,500	0	652,500
Federal	100.67	6,565,200	10,932,100	61,000	394,710,300	0	412,268,600
Other	0.00	0	0	0	22,200,600	0	22,200,600
<b>Total</b>	<b>174.92</b>	<b>11,126,100</b>	<b>14,083,600</b>	<b>112,000</b>	<b>581,688,300</b>	<b>0</b>	<b>607,010,000</b>
<b>Appropriation Adjustments</b>							
4.11 Reappropriation							
Other	0.00	0	1,200	41,100	0	0	42,300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,200</b>	<b>41,100</b>	<b>0</b>	<b>0</b>	<b>42,300</b>
4.31 Supplemental: The trend in Medicaid eligible recipients has not followed historical patterns and is increasing at a higher rate than anticipated. The average monthly caseload in FY 2000 was approximately 95,670 compared with the average monthly caseload in FY 2001 projected to be 115,228. This represents a 20% increase in the average number of eligible recipients per month. There has been a corresponding increase in spending. Spending per week has increased by approximately 14% in the first quarter of FY 2001 compared with all of FY 2000 from \$10.7 million to \$12.2 million. The Trustee/Benefit amount is based upon the latest projection of benefit payments adjusted for the FY 2000 unpaid obligations. The increase in the number of eligible recipients has resulted in increased expenditures on benefits, which cannot be covered by current appropriated operating funds.							
General	0.00	0	0	0	33,057,800	0	33,057,800
Federal	0.00	0	0	0	77,340,700	0	77,340,700
Other	0.00	0	0	0	1,960,400	0	1,960,400
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>112,358,900</b>	<b>0</b>	<b>112,358,900</b>
4.42 Negative Supplemental: The Governor recommends removal of 80% of agency savings resulting from the employer share of PERSI gain sharing and the temporary retirement rate reduction.							
General	0.00	(109,000)	0	0	0	0	(109,000)
Federal	0.00	(156,800)	0	0	0	0	(156,800)
<b>Total</b>	<b>0.00</b>	<b>(265,800)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(265,800)</b>
<b>FY 2001 Total Appropriation</b>							
General	74.25	4,451,900	3,151,500	51,000	197,182,700	0	204,837,100
Dedicated	0.00	0	0	0	652,500	0	652,500
Federal	100.67	6,408,400	10,932,100	61,000	472,051,000	0	489,452,500
Other	0.00	0	1,200	41,100	24,161,000	0	24,203,300
<b>Total</b>	<b>174.92</b>	<b>10,860,300</b>	<b>14,084,800</b>	<b>153,100</b>	<b>694,047,200</b>	<b>0</b>	<b>719,145,400</b>

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	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
<b>Expenditure Adjustments</b>							
6.54 Transfer Between Programs: Transfer from Mental Health Services to Medical Assistance for residential care coordinator.							
General	1.00	12,500	0	0	0	0	12,500
<b>Total</b>	<b>1.00</b>	<b>12,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,500</b>
6.91 Other Adjustments: The funding for Personnel Costs is the federal fund match on DU 6.54 General Fund transfer. The Operating Expenditures and Capital Outlay one-time federal funds are match on carryover for vehicle and computer purchases.							
General	9.48	0	0	0	0	0	0
Federal	0.00	20,500	1,200	39,600	0	0	61,300
<b>Total</b>	<b>9.48</b>	<b>20,500</b>	<b>1,200</b>	<b>39,600</b>	<b>0</b>	<b>0</b>	<b>61,300</b>
<b>FY 2001 Estimated Expenditures</b>							
General	84.73	4,464,400	3,151,500	51,000	197,182,700	0	204,849,600
Dedicated	0.00	0	0	0	652,500	0	652,500
Federal	100.67	6,428,900	10,933,300	100,600	472,051,000	0	489,513,800
Other	0.00	0	1,200	41,100	24,161,000	0	24,203,300
<b>Total</b>	<b>185.40</b>	<b>10,893,300</b>	<b>14,086,000</b>	<b>192,700</b>	<b>694,047,200</b>	<b>0</b>	<b>719,219,200</b>
<b>Base Adjustments</b>							
8.11 FTP or Fund Adjustment: The FY 2001 appropriation for the department identified several areas in which efficiencies could be gained, or savings realized, through utilization of state employees. The majority of the positions were requested to replace contracted services, convert temporary positions to permanent positions, or were necessary to implement cost-saving measures, particularly in the Medical Assistance Services program. Funding for the positions was provided but no additional position authority was provided. The department has attempted to proceed with establishment of the positions through a rolling deletion of positions that have become vacant. This procedure results in ongoing position authority transfers between the department's programs, significantly increases administrative activities associated with position control, and severely degrades the ability of programs to effectively manage position establishment and vacancy control. This decision unit provides position authority for the funding approved in the last legislative session.							
General	41.50	0	0	0	0	0	0
<b>Total</b>	<b>41.50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
8.41 Removal of One-Time Expenditures							
General	0.00	0	(51,000)	(51,000)	0	0	(102,000)
Federal	0.00	0	(274,200)	(100,600)	0	0	(374,800)
Other	0.00	0	(1,200)	(41,100)	0	0	(42,300)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(326,400)</b>	<b>(192,700)</b>	<b>0</b>	<b>0</b>	<b>(519,100)</b>
8.91 Other Adjustments: Restore Veterans Cemetery transfer.							
General	0.00	0	40,000	0	0	0	40,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,000</b>
8.92 Other Adjustments: Funds identified as a result of the one-time PERSI gain sharing and temporary retirement rate reduction in DU 4.42 are restored to the agency Personnel Cost base.							
General	0.00	109,000	0	0	0	0	109,000
Federal	0.00	156,800	0	0	0	0	156,800
<b>Total</b>	<b>0.00</b>	<b>265,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>265,800</b>

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
<b>FY 2002 Base</b>							
General	126.23	4,573,400	3,140,500	0	197,182,700	0	204,896,600
Dedicated	0.00	0	0	0	652,500	0	652,500
Federal	100.67	6,585,700	10,659,100	0	472,051,000	0	489,295,800
Other	0.00	0	0	0	24,161,000	0	24,161,000
<b>Total</b>	<b>226.90</b>	<b>11,159,100</b>	<b>13,799,600</b>	<b>0</b>	<b>694,047,200</b>	<b>0</b>	<b>719,005,900</b>
<b>Program Maintenance</b>							
10.11 Change in Benefit Costs: Changes in benefit costs reflect the increased cost for health insurance and reduced costs for unemployment insurance and retirement contributions.							
General	0.00	9,800	0	0	0	0	9,800
Federal	0.00	14,100	0	0	0	0	14,100
<b>Total</b>	<b>0.00</b>	<b>23,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,900</b>
10.21 General Inflation: A 1.5% inflationary increase is provided for standard operating costs.							
General	0.00	0	47,000	0	0	0	47,000
Federal	0.00	0	159,600	0	0	0	159,600
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>206,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>206,600</b>
10.22 Medical Inflation: Medical inflation is funded at 1.7% of the base budget for medical costs incurred by the agency on behalf of agency clients.							
General	0.00	0	0	0	3,157,200	0	3,157,200
Dedicated	0.00	0	0	0	10,800	0	10,800
Federal	0.00	0	0	0	7,857,600	0	7,857,600
Other	0.00	0	0	0	402,200	0	402,200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,427,800</b>	<b>0</b>	<b>11,427,800</b>
10.23 Inflationary Adjustments: Medical inflation for Children's Health Insurance Program.							
General	0.00	0	0	0	139,700	0	139,700
Dedicated	0.00	0	0	0	500	0	500
Federal	0.00	0	0	0	334,400	0	334,400
Other	0.00	0	0	0	17,100	0	17,100
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>491,700</b>	<b>0</b>	<b>491,700</b>
10.31 Replacement Items: Replace ergonomic workstation, printers, desk, laptop computers, and upgrade network infrastructure.							
General	0.00	0	0	37,400	0	0	37,400
Federal	0.00	0	0	37,300	0	0	37,300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>74,700</b>	<b>0</b>	<b>0</b>	<b>74,700</b>
10.32 Replacement Items: Replace 9 passenger vehicles.							
General	0.00	0	0	76,800	0	0	76,800
Federal	0.00	0	0	76,900	0	0	76,900
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>153,700</b>	<b>0</b>	<b>0</b>	<b>153,700</b>
10.33 Replacement Items: Replace 9 personal computers.							
General	0.00	0	0	5,000	0	0	5,000
Federal	0.00	0	0	5,000	0	0	5,000
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>10,000</b>

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	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
10.45 Risk Management Fees: The Office of Insurance Management reports a 23% increase in property insurance costs as well as minor adjustments to other cost categories based on agency claims patterns.							
General	0.00	0	500	0	0	0	500
Federal	0.00	0	1,300	0	0	0	1,300
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>1,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,800</b>
10.61 Change in Employee Compensation: An increase in employee compensation of 4.5% is recommended for all state agencies. 3.5% shall be used for performance related increases and 1% shall be used to address agency specific compensation issues.							
General	0.00	185,000	0	0	0	0	185,000
Federal	0.00	266,000	0	0	0	0	266,000
<b>Total</b>	<b>0.00</b>	<b>451,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>451,000</b>
10.62 Change in Group and Temporary Compensation: An increase of 4.5% is recommended for group and temporary employees.							
General	0.00	6,800	0	0	0	0	6,800
Federal	0.00	9,500	0	0	0	0	9,500
<b>Total</b>	<b>0.00</b>	<b>16,300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,300</b>
10.71 External Nonstandard Adjustments: Non-state office space.							
General	0.00	0	(200)	0	0	0	(200)
Federal	0.00	0	(800)	0	0	0	(800)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>(1,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,000)</b>
10.72 External Nonstandard Adjustments: The trend in Medicaid eligible recipients has not followed historical patterns and is increasing at a higher rate than anticipated. The average monthly caseload in FY 2001 was approximately 114,062 compared with the average monthly caseload in FY 2002 projected to be 120,969. This represents a 6% increase in the average number of eligible recipients per month. There has been a corresponding increase in spending.							
General	0.00	0	0	0	21,472,000	0	21,472,000
Dedicated	0.00	0	0	0	75,100	0	75,100
Federal	0.00	0	0	0	50,727,700	0	50,727,700
Other	0.00	0	0	0	2,793,500	0	2,793,500
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75,068,300</b>	<b>0</b>	<b>75,068,300</b>
10.91 Fund Shifts: The FMAP (Federal Medical Assistance Participation) rate is changing from 70.61% to 70.96%. Includes \$35,600 shift from General Fund to federal funds for a change in the composite match rate for Children's Health Insurance Program from 79.43% to 79.67%.							
General	0.00	0	0	0	(2,273,200)	0	(2,273,200)
Federal	0.00	0	0	0	2,273,200	0	2,273,200
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
10.92 Fund Shifts: Additional federal and dedicated resources are limited or unavailable to fund the program maintenance decision units.							
General	0.00	0	0	0	876,100	0	876,100
Dedicated	0.00	0	0	0	(97,200)	0	(97,200)
Federal	0.00	0	0	0	2,836,100	0	2,836,100
Other	0.00	0	0	0	(3,615,000)	0	(3,615,000)
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

	FTP	Personnel Costs	Operating Expenditures	Capital Outlay	Trustee/ Ben Payments	Lump Sum	Total Gov Rec
<b>FY 2002 Total Maintenance</b>							
General	126.23	4,775,000	3,187,800	119,200	220,554,500	0	228,636,500
Dedicated	0.00	0	0	0	641,700	0	641,700
Federal	100.67	6,875,300	10,819,200	119,200	536,080,000	0	553,893,700
Other	0.00	0	0	0	23,758,800	0	23,758,800
<b>Total</b>	<b>226.90</b>	<b>11,650,300</b>	<b>14,007,000</b>	<b>238,400</b>	<b>781,035,000</b>	<b>0</b>	<b>806,930,700</b>
<b>Program Enhancements</b>							
12.01 Surveyor Positions: Not recommended. Provide additional positions to survey all long term care facilities.							
General	0.00	0	0	0	0	0	0
Federal	0.00	0	0	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.02 Personal Needs Allowance: The Commission on Aging submitted a petition for rulemaking to the department requesting an increase in the personal needs allowance for individuals living in a nursing home. Currently, the amount of money an individual on Medicaid in a nursing home is allowed to keep for their personal needs (clothing, toiletries, haircuts, etc.) is \$30 per month. This amount has not changed since 1988. This proposal is to increase the personal needs allowance to \$40.							
General	0.00	0	0	0	107,400	0	107,400
Federal	0.00	0	0	0	253,900	0	253,900
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>361,300</b>	<b>0</b>	<b>361,300</b>
12.03 Additional Capital Outlay: Not recommended. Provide funding for additional Capital Outlay.							
General	0.00	0	0	0	0	0	0
Federal	0.00	0	0	0	0	0	0
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.04 Children with Serious Emotional Disturbances (SED): In FY 2000, Medicaid made payments, on approximately 5,800 cases, to service providers of children with serious emotional disturbances (SED). The cost of services for these seriously emotionally disturbed children increases annually. This decision unit will fund the anticipated increase in service costs for FY 2002 and provide additional funding for increased services to those children currently served.							
General	0.00	0	0	0	726,700	0	726,700
Federal	0.00	0	0	0	1,775,400	0	1,775,400
<b>Total</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,502,100</b>	<b>0</b>	<b>2,502,100</b>
<b>FY 2002 Total Governor's Rec.</b>							
General	126.23	4,775,000	3,187,800	119,200	221,388,600	0	229,470,600
Dedicated	0.00	0	0	0	641,700	0	641,700
Federal	100.67	6,875,300	10,819,200	119,200	538,109,300	0	555,923,000
Other	0.00	0	0	0	23,758,800	0	23,758,800
<b>Total</b>	<b>226.90</b>	<b>11,650,300</b>	<b>14,007,000</b>	<b>238,400</b>	<b>783,898,400</b>	<b>0</b>	<b>809,794,100</b>